

**Proposed Substitute
Bill No. 5334**

LCO No. 4826

AN ACT PROVIDING PROPERTY TAX RELIEF TO VETERANS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivisions (19) to (21), inclusive, of section 12-81 of the
2 general statutes are repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2015, and applicable to assessment years*
4 *commencing on or after October 1, 2015*):

5 (19) Subject to the provisions of sections 12-89, 12-90 and 12-95,
6 property [to the amount of one thousand dollars belonging] to the
7 extent of ten per cent of its assessed value that belongs to, or is held in
8 trust for, (A) any resident of this state who [(a)] is a veteran of the
9 armed forces in service in time of war, [(b)] (B) any resident of this
10 state who was a citizen of the United States at the time of his or her
11 enlistment and who was in the military or naval service of a
12 government allied or associated with that of the United States during
13 the Second World War and received an honorable discharge
14 therefrom, [(c)] (C) any resident of this state who served during the
15 Second World War as a member of any armed force of any
16 government signatory to the United Nations Declaration of January 1,
17 1942, and participated in armed conflict with an enemy of the United
18 States and who has been a citizen of the United States for at least ten
19 years and presents satisfactory evidence of such service, [(d)] (D) any

20 resident of this state who served as a member of the crew of a
21 merchant vessel during the Second World War and is qualified with
22 respect to such service as a member of the group known as the
23 "American Merchant Marine in ocean-going service during the period
24 of armed conflict, December 7, 1941, to August 15, 1945", members of
25 which are deemed to be eligible for certain veterans benefits under a
26 determination in the United States Department of Defense, as recorded
27 in the Federal Register of February 1, 1988, provided such resident has
28 received an armed forces discharge certificate from the Department of
29 Defense on the basis of such service, [(e)] (E) any member of the armed
30 forces who was in service in time of war and is still in the service and
31 by reason of continuous service has not as yet received a discharge,
32 [(f)] (F) any person who is retired from the armed forces after thirty
33 years of service because [he] such person has reached the age limit
34 prescribed by law or because [he] such person suffers from mental or
35 physical disability, or [(g)] (G) any person who is serving in the armed
36 services in time of war; or lacking said amount of property in his or her
37 own name, so much of the property belonging to, or held in trust for,
38 [his] such person's spouse, who is domiciled with him or her, as is
39 necessary to equal said amount. For the purposes of this subdivision,
40 "veteran", "armed forces" and "service in time of war" have the same
41 meaning as in section 27-103;

42 (20) Subject to the provisions hereinafter stated, property [not
43 exceeding three thousand dollars in amount shall be exempt from
44 taxation, which property belongs to, or is] belonging to, or held in trust
45 for, any resident of this state who has served, or is serving, in the
46 Army, Navy, Marine Corps, Coast Guard or Air Force of the United
47 States and [(1)] has a disability rating by the [Veterans' Administration
48 of the] United States Department of Veterans Affairs amounting to ten
49 per cent or more [of total disability, provided such exemption shall be
50 fifteen hundred dollars in any case in which such rating is between ten
51 per cent and twenty-five per cent; two thousand dollars in any case in
52 which such rating is more than twenty-five per cent but not more than
53 fifty per cent; twenty-five hundred dollars in any case in which such

54 rating is more than fifty per cent but not more than seventy-five per
55 cent; and three thousand dollars in any case in which such person has
56 attained sixty-five years of age or such rating is more than seventy-five
57 per cent; or (2)] shall be exempt from taxation as follows: (A) Fifteen
58 per cent of the assessed value of such property if such disability rating
59 is at least ten per cent but not more than twenty-five per cent; (B)
60 twenty per cent of the assessed value of such property if such
61 disability rating is more than twenty-five per cent but not more than
62 fifty per cent; (C) twenty-five per cent of the assessed value of such
63 property if such disability rating is more than fifty per cent but not
64 more than seventy-five per cent; and (D) thirty per cent of the assessed
65 value of such property if (i) such disability rating is more than seventy-
66 five per cent, (ii) such person has attained sixty-five years of age, or
67 (iii) such person is receiving a pension, annuity or compensation from
68 the United States because of the loss in service of a leg or arm or that
69 which is considered by the rules of the United States Pension Office or
70 the Bureau of War Risk Insurance the equivalent of such loss. If such
71 veteran or member of the armed forces lacks such [amount of]
72 property in his or her name, so much of the property belonging to, or
73 held in trust for, his or her spouse, who is domiciled with him or her,
74 [as is necessary to equal such amount] shall also be so exempt. When
75 any veteran or member of the armed forces entitled to an exemption
76 under the provisions of this section has died, property belonging to, or
77 held in trust for, his or her surviving spouse, while such spouse
78 remains a widow or widower, or belonging to or held in trust for his or
79 her minor children during their minority, or both, while they are
80 residents of this state, shall be exempt in the same [aggregate amount]
81 percentage as that to which the disabled veteran or member of the
82 armed forces was or would have been entitled at the time of his or her
83 death. No individual entitled to exemption under this subdivision and
84 under one or more of subdivisions (19), (22), (23), (25) and (26) of this
85 section shall receive more than one exemption. No individual shall
86 receive any exemption to which he or she is entitled under this
87 subdivision until he or she has complied with section 12-95 and has
88 submitted proof of his or her disability rating, as determined by the

89 [Veterans' Administration of the] United States Department of
90 Veterans Affairs, to the assessor of the town in which the exemption is
91 sought. If there is no change to an individual's disability rating, such
92 proof shall not be required for any assessment year following that for
93 which the exemption under this subdivision is granted initially. If the
94 [Veterans' Administration of the] United States Department of
95 Veterans Affairs modifies [a veteran's] the disability rating of a veteran
96 or member of the armed forces, such modification shall be deemed a
97 waiver of the right to such exemption until proof of disability rating is
98 submitted to the assessor and the right to such exemption is
99 established as required initially. Any person who has been unable to
100 submit evidence of disability rating in the manner required by this
101 subdivision, or who has failed to submit such evidence as provided in
102 section 12-95, may, when he or she obtains such evidence, make
103 application to the collector of taxes within one year after he or she
104 obtains such proof or within one year after the expiration of the time
105 limited in section 12-95, as the case may be, for abatement in case the
106 tax has not been paid, or for refund in case the whole tax has been
107 paid, of such part or the whole of such tax as represents the service
108 exemption. Such abatement or refund may be granted retroactively to
109 include the assessment day next succeeding the date as of which such
110 person was entitled to such disability rating as determined by the
111 [Veterans' Administration of the] United States Department of
112 Veterans Affairs, but in no case shall any abatement or refund be made
113 for a period greater than three years. The collector shall, after
114 examination of such application, refer the same, with his or her
115 recommendations thereon, to the board of selectmen of a town or to
116 the corresponding authority of any other municipality, and shall
117 certify to the amount of abatement or refund to which the applicant is
118 entitled. Upon receipt of such application and certification, the
119 selectmen or other duly constituted authority shall, in case the tax has
120 not been paid, issue a certificate of abatement or, in case the whole tax
121 has been paid, draw an order upon the treasurer in favor of such
122 applicant for the amount without interest which represents the service
123 exemption. Any action so taken by such selectmen or other authority

124 shall be a matter of record and the tax collector shall be notified in
125 writing of such action;

126 (21) (A) The dwelling house, and the lot whereupon the same is
127 erected, belonging to or held in trust for any person who is a citizen
128 and resident of this state, occupied as such person's domicile, shall be
129 exempt from local property taxation to the extent of ten thousand
130 dollars of its assessed valuation or, lacking said amount in property in
131 such person's own name, so much of the property belonging to, or held
132 in trust for, such person's spouse, who is domiciled with such person,
133 as is necessary to equal said amount, if such person is a veteran who
134 served in the Army, Navy, Marine Corps, Coast Guard or Air Force of
135 the United States and has been declared by the United States [Veterans'
136 Administration] Department of Veterans Affairs or its successors to
137 have a service-connected disability from paraplegia or osteochondritis
138 resulting in permanent loss of the use of both legs or permanent
139 paralysis of both legs and lower parts of the body; or from hemiplegia
140 and has permanent paralysis of one leg and one arm or either side of
141 the body resulting from injury to the spinal cord, skeletal structure or
142 brain or from disease of the spinal cord not resulting from any form of
143 syphilis; or from total blindness as defined in section 12-92; or from the
144 amputation of both arms, both legs, both hands or both feet, or the
145 combination of a hand and a foot; sustained through enemy action, or
146 resulting from accident occurring or disease contracted in such active
147 service. Nothing in this subdivision shall be construed to include
148 paraplegia or hemiplegia resulting from locomotor ataxia or other
149 forms of syphilis of the central nervous system, or from chronic
150 alcoholism, or to include other forms of disease resulting from the
151 veteran's own misconduct which may produce signs and symptoms
152 similar to those resulting from paraplegia, osteochondritis or
153 hemiplegia. The loss of the use of one arm or one leg because of service
154 related injuries specified in this subdivision shall qualify a veteran for
155 a property tax exemption in the same manner as hereinabove,
156 provided such exemption shall be for five thousand dollars;

157 (B) The exemption provided for in this subdivision shall be in

158 addition to any other exemption of such person's real and personal
159 property allowed by law, but no taxpayer shall be allowed more than
160 one exemption under this subdivision. No person shall be entitled to
161 receive any exemption under this subdivision until such person has
162 satisfied the requirements of subdivision (20) of this section. The
163 surviving spouse of any such person who at the time of such person's
164 death was entitled to and had the exemption provided under this
165 subdivision shall be entitled to the same exemption, (i) while such
166 spouse remains a widow or widower, or (ii) upon the termination of
167 any subsequent marriage of such spouse by dissolution, annulment or
168 death and while a resident of this state, for the time that such person is
169 the legal owner of and actually occupies a dwelling house and
170 premises intended to be exempted hereunder. When the property
171 which is the subject of the claim for exemption provided for in this
172 subdivision is greater than a single family house, the assessor shall
173 aggregate the assessment on the lot and building and allow an
174 exemption of that percentage of the aggregate assessment which the
175 value of the portion of the building occupied by the claimant bears to
176 the value of the entire building;

177 (C) Subject to the approval of the legislative body of the
178 municipality, the dwelling house and the lot whereupon the same is
179 erected, belonging to or held in trust for any citizen and resident of this
180 state, occupied as such person's domicile shall be fully exempt from
181 local property taxation, if such person is a veteran who served in the
182 Army, Navy, Marine Corps, Coast Guard or Air Force of the United
183 States and has received financial assistance for specially adapted
184 housing under the provisions of Section 801 of Title 38 of the United
185 States Code and has applied such assistance toward the acquisition or
186 modification of such dwelling house. The same exemption may also be
187 allowed on such housing units owned by the surviving spouse of such
188 veteran (i) while such spouse remains a widow or widower, or (ii)
189 upon the termination of any subsequent marriage of such spouse by
190 dissolution, annulment or death, or by such veteran and spouse while
191 occupying such premises as a residence;

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2015, and applicable to assessment years commencing on or after October 1, 2015</i>	12-81(19) to (21)
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